

ADDENDUM TO CIA RESPONSE
TO QUESTIONS RELATED TO WESTERN
PACIFIC AND INDIAN OCEAN BASE STUDY

18 December 1967


Chinese Communist Influence in the Area

What are Communist China's estimated maritime objectives, capabilities, and activities in the western Pacific and the Indian Ocean during the 1970-80 period?

1. Communist China's naval and maritime activities beyond its coastal waters in the western Pacific are presently at a low level, but will increase considerably in the 1970-80 period. Indian Ocean activities will remain limited, however. Chinese naval and fishing fleets probably will extend their areas of normal operations beyond territorial waters into the China seas, and Chinese merchant ships will carry a growing share of the country's trade with its Pacific and Indian Ocean trading partners. Peking will continue to regard the security of the Chinese mainland as its paramount consideration, and naval activity will continue to reflect China's defensive strategy.

2. Through the 1970's, the Chinese probably will continue to develop their naval forces along conventional lines. Emphasis will be placed on providing the navy with modern conventional weapon systems in order to improve its capability to control and defend coastal waters. About half a dozen missile-firing submarines are expected to be deployed by 1980, however, giving the navy an offensive capability against other Far Eastern countries. China probably will have its first G-class missile submarine operational with missiles about 1970.

3. To accomplish its defensive mission, the Chinese navy is developing a coastal defense force that includes patrol ships and a fairly modern submarine fleet. The navy's ability to conduct extended and out-of-area operations remains largely untested, however. Until at least 1970 the navy is expected to remain a "close-in" coastal defense force that will exert little influence outside Chinese territorial waters.



No Foreign Dissem

4. In the early 1970's the navy can be expected to begin expanding operations and establishing regular patrols beyond its coastal waters. Nevertheless, the increase in naval activity and influence in the East and South China Seas probably will be restricted to areas within several hundred miles of the China coast, and if there are operations east of the China seas, they will occur infrequently.

5. China's influence in the Indian Ocean will be negligible unless considerable logistic support and operating bases are provided by a country in the area. Missile testing support and naval visits to Indian Ocean ports for political purposes could take place, however.

6. China's plan goals in the fields of trade and merchant shipping are unavailable. Present trends indicate that trade with key countries adjacent to the western Pacific and Indian Ocean will increase at moderate rates, at least in the short run. China's merchant fleet capacity probably will grow faster than its foreign trade. Consequently, an increasing share of China's trade will be carried in its own ships. The growth in foreign trade will lead to increased movements of Chinese Communist cargoes and ships through the western Pacific and Indian Ocean.

7. If present relationships and trends persist, China's main trading partners in the western Pacific will be Japan, the USSR, Hong Kong, Australia, North Korea, and North Vietnam. China's chief imports from these countries are wheat, rubber, timber, fertilizer, cement, coal, industrial equipment, and chemicals. Its exports to the area include textiles, salt, foodstuffs, coal, and construction equipment. In the Indian Ocean basin--where China's total trade is about one quarter of the value of its trade with western Pacific nations--China's major trading partners are Malaysia, Singapore, Pakistan, Iraq, and Tanzania. Its exports to the Indian Ocean area include foodstuffs, textiles, coal, and construction materials; its imports include cotton, rubber, and sisal.

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8. There are no Chinese Communist fishing fleet operations in the Indian Ocean at the present time. The lack of Chinese fishing ports or port rights on the Indian Ocean and the absence of modern, refrigerated fishing vessels preclude such operations. Fishing operations in the Indian Ocean are not likely to be undertaken before 1980 inasmuch as fishing grounds adjacent to the Chinese mainland are expected to be able to meet the nation's demands until at least that time. The fishing grounds within 20 miles of the 8,700 miles of coastline comprise almost 24 percent of the total fishing grounds of the world. As recently as the end of 1962, only 10 percent of the ports and bays suitable for fishing operations were being used for this purpose. The most likely direction of expansion of the Chinese fishing fleet operations, therefore, is in the continental shelf areas.

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